

# STATE OF HAWAII DEPARTMENT OF TRANSPORTATION 869 PUNCHBOWL STREET HONOLULU, HAWAII 96813-5097

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IN REPLY REFER TO:

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

> AMENDMENT NO. 4 TO STATE LEASE NO. DOT-A-03-0001 TRAVELER SERVICES CONCESSION LEASE LENLYN LIMITED, HONOLULU INTERNATIONAL AIRPORT

> > OAHU

# **PURPOSE**:

To amend the existing Lease DOT-A-03-0001 at Honolulu International Airport, to allow for additional floor space for a kiosk to operate and provide additional business center services to the traveling public. Under Article III of the Lease, additional space over and above the initial allocation may be added to the lease at the sole discretion of the Director of Transportation.

#### APPLICANT:

Lenlyn Limited dba Ice Currency Services USA, whose business address is 6151 West Century Boulevard #1108, Los Angeles, CA 90045.

#### LEGAL REFRENCE:

Chapter 102, and Section 261-7, Hawaii Revised Statutes, as amended. Act 2001 Session Laws of Hawaii 2004.

### **LOCATION AND TAX MAP KEY:**

Honolulu International Airport, Tax Map Key: (1) 1-1-03: Portion of 1 (Honolulu)

#### **ZONING:**

State Land Use District:

Urban

County of Honolulu

Industrial (I-2)

### LAND USE STATUS:

Section 5 (a) lands of the Hawaii Admissions Act: Non-Ceded

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES NO X

### PREMISES:

New Business Center Space. Building 310, Space No. 205J, containing an area of approximately 128 square feet as shown on Exhibit S, dated June 2008.

# TERM:

To run for the balance of the term of the existing lease that expires on March 31, 2010.

# **IMPROVEMENTS:**

Applicant will construct and install all improvements to Building 310, Space No. 205H, at its sole cost and expense.

#### **RENTAL**:

No additional square footage floor rent will be charged. All gross receipts generated from the additional space will be included with the gross receipts of the Concession. The Concessionaire pays the greater of the minimum annual guaranteed rent or a percentage of gross receipts as the concession fee. The current percentage rent rates for the concession are five percent (5%) of gross receipts from foreign currency exchange services, seven percent (7%) of gross receipts from business center services and merchandise, and twelve percent (12%) of gross receipts from traveler related services.

#### CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8 (a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements because the proposed action falls within Exemption Class #3, Comprehensive Exemption List for the State of Hawaii, Department of Transportation dated November 14, 2000, as approved by the Environmental Quality Council. Exemption Class #3 covers construction and location of single, new, small, facilities or structures and the alteration and modification of same and installations of new, small, equipment and facilities and the alteration and modification of same including, but not limited to (e) 2. accessory or appurtenant structures involving the

construction/modification/alteration of carports, personnel (bus type) shelters, and specialty storage facilities such as paint sheds or structures not exceeding 1,000 square feet on the Department of Transportation property.

#### **REMARKS:**

The DOT and the Concessionaire entered into that certain concession lease (Lease No. DOT-A-03-0001) dated April 1, 2003, for the Travelers Services Concession at Honolulu International Airport.

Act 128, Session Laws of Hawaii 2006, allowed the State to amend concession leases to extend the term of the lease in return for construction of improvements by the Lessee. Any extension of the term of the lease is limited to no more than 40% of the original term. The Act prohibited any reduction in rent, but did allow inclusion of language that had been placed in other concession agreements, notably the economic emergency and force majeure language that changed in the aftermath of the events of September 11, 2001.

# **RECOMMENDATION:**

That the Board authorizes the DOTA to amend the existing Concession Lease No. DOT-A-03-0001 subject to: 1) terms and conditions herein outlined, which are by reference incorporated herein; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State; and 3) review and approval of the Department of the Attorney General.

Respectfully submitted,

BRENNON T. MORIOKA, Ph.D., P.E. Director of Transportation

APPROVED FOR SUBMITTAL:

LAURA H. THIELEN Chairperson and Member

